

HONOLULU ADVERTISER (HI)  
19 July 1984

## Could interfere with probe

# *Halt Rewald suit, U.S. says*

By Walter Wright  
Advertiser Staff Writer

The "full story" of Bishop, Baldwin, Rewald, Dillingham & Wong will not be known until all criminal investigations and prosecutions are over, the government said this week.

Acting Assistant Attorney General Richard K. Willard made that claim in support of the government's request to temporarily halt company founder Ronald Rewald's civil suit against the Central Intelligence Agency.

Willard said it made no sense to allow the civil action to proceed, because of the likelihood that key figures, facing possible criminal prosecution, would probably take the Fifth Amendment when asked questions in civil court.

Willard also said that letting the Rewald civil case proceed

could interfere with the criminal investigation and potential prosecutions.

U.S. Attorney Daniel Bent, in a declaration filed with the court, said the FBI criminal investigation of Bishop Baldwin, begun last August, is "actively ongoing."

Rewald partner Sunlin L.S. Wong, president of the company, has pleaded guilty to federal charges of mail and securities fraud, admitting that only \$630,000 of \$22 million received from investors was ever invested in anything.

By pressing the civil case, Rewald can get far more information for a criminal defense than he would be allowed normally in a criminal case, Willard said.

No one should be allowed to use civil court rules "as a dodge to avoid the restrictions on criminal discovery and

thereby obtain documents he would not otherwise be entitled to for his use in his criminal suit," Willard said.

Almost two pages of Willard's 11-page memo to the court were blanked out in copies filed in the public record. The material was deleted in accord with the court's order concerning the sealing of "information relating directly or indirectly to the Central Intelligence Agency," Willard said.

The memo noted that Rewald previously filed with the court a sealed affidavit "concerning his allegedly extensive involvement with the Central Intelligence Agency."

The deleted material apparently includes a description of Rewald's charges that the CIA set up his company as a cover for intelligence gathering, then allowed it to collapse.